

WIND ENERGY INSTITUTE 2008

**THE PREMIER GATHERING OF KEY PARTICIPANTS
IN TEXAS WIND DEVELOPMENT**



**Tuesday, February 19 – Wednesday, February 20, 2008
Austin Convention Center • Austin, Texas**

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PRESENTED BY THE UNIVERSITY OF TEXAS SCHOOL OF LAW AND
THE OIL, GAS AND ENERGY RESOURCES LAW SECTION OF THE STATE BAR OF TEXAS

2008 WIND ENERGY INSTITUTE

Presented by The University of Texas School of Law and The Oil, Gas and Energy Resources Law Section of the State Bar of Texas

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Edward W. Zaelke

Edward W. Zaelke is the former President of the American Wind Energy Association and has been a Board Member of the American Wind Energy Association since 2002. Now a managing partner at Chadbourne & Parke LLP, he focuses his practice on project development and finance, with a particular emphasis on representing companies engaged in the development, finance and operation of wind power and other alternative energy projects.



**Chairman
Barry T. Smitherman**

Barry T. Smitherman is a fourth generation Texan appointed by Governor Rick Perry to the PUC on April 21, 2004. He was re-appointed on September 13, 2007 and promoted to Chairman on November 14, 2007.

TUESDAY, FEBRUARY 19, 2008

Presiding Officer:

Andy Bowman, Airtricity, Inc., Austin, TX

7:30 a.m. Registration Opens

Includes continental breakfast.

8:10 a.m. Optional Breakfast and A Movie *Texas Wind Farms: A Tour from Turbines to Market*

This short documentary takes you onto working wind farms in the Sweetwater, TX region from ground operations to the top of the turbines, to explain construction, generation, operation, and interconnection.

8:50 a.m. Welcoming Remarks

9:00 a.m. .75 hr

Wind in Texas, 2008: The State of the Industry

This session previews many of the issues to be covered in more detail throughout the program, starting with a big-picture look at the key metrics and characteristics of wind power in Texas—past, present and future—as well as the current and projected geographical concentration of development within Texas. The session will also touch on the main economic drivers of wind development: meteorology, leasing, construction, turbines, siting, power sales, and transmission; as well as common misconceptions about wind development.

Andrew Swift, Texas Tech Wind Energy Center, Lubbock, TX

Commentator: Mike Sloan, Virtus Energy Research Associates, Inc., Austin, TX

9:45 a.m. .75 hr

Land: Survey and Title Issues

A discussion of real estate survey and title issues typically encountered in wind energy project development. Practical solutions to common problems, sample survey certification language, and due diligence checklists will be provided.

Kimberlee Smith Centera, AES Wind Generation, San Diego, CA

Brent G. Stahl, Stahl, Bernal & Davies, L.L.P., Austin, TX

10:30 a.m. Break

10:45 a.m. .50 hr

Power Markets and Nodal Pricing: How the New Rules will Change the Economics and Location of Wind Developments

This session provides a snapshot of common methods by which power is currently bought and sold in Texas, and continues with non-technical highlights of the new nodal pricing system, using illustrative and practical examples of how the switch in 2009 to nodal pricing will change the economics and location of wind developments and the manner in which transmission congestion is managed.

Professor Ross Baldick, The University of Texas, Austin, TX

11:15 a.m. .50 hr

CREZ: What Was Decided by the Interim CREZ Order, and What Is Left to Do?

This session will set the framework for the afternoon CREZ discussions by reviewing how and why the Texas Public Utility Commission chose the first set of CREZs, what work remains to be done in the CREZ docket, and how the CREZ docket fits together with the parallel competitive-transmission and dispatch-priority rulemakings.

Mike Grable, ERCOT, Taylor, TX

LUNCHEON PRESENTATION

11:45 a.m. Pick up Box Lunch Included in conference registration fee.

12:00 p.m. .75 hr

New Storage Technologies: Are they Finally Here?

A look at new storage technologies and options for wind energy: do current technologies and financial conditions finally make storage ready for primetime?

Moderator: Brad Roberts, S&C Electric Company, Franklin, WI

Dr. Michael Nakhamkin, Energy Storage Power Corporation (ESPC), Basking Ridge, NJ

Mark Wilby, Shell WindEnergy Inc., Houston, TX

12:45 p.m. Break

TUESDAY AFTERNOON

Presiding Officer:

Steve Baron,
Consulting and Legal Services, Austin, TX

1:00 p.m. .50 hr

CREZ and More: Where and How Will Transmission Be Constructed to Integrate Wind into the Grid?

ERCOT commissioned a wind energy ancillary services study and has undertaken a CREZ Transmission "Optimization" Study. These studies will assist the Texas Public Utility Commission in determining the major transmission improvements necessary to deliver renewable energy from the CREZs in a manner that is most beneficial and cost effective to customers. This session will report on the progress and results of these studies.

Dan Woodfin, ERCOT, Taylor, TX

1:30 p.m. .50 hr

CREZ and More: Who Will Build the Transmission, and When?

The Texas Public Utility Commission has been conducting a rulemaking proceeding to establish the process and criteria for selecting transmission service providers to construct transmission facilities that will deliver renewable energy from the CREZs to customers. This session will report on the progress and results of that rulemaking, and will provide a look ahead at what remains to be done to achieve the transmission build-out.

Chairman Barry T. Smitherman, Public Utility Commission, Austin, TX

2:00 p.m. .75 hr

CREZ and More: Who Will Have Access to the Transmission, and On What Terms?

Texas is first in the nation in wind energy production, and the CREZ proceeding elicited unprecedented interest and commitment to additional wind energy development. Will the transmission build-out be sufficient to accommodate the expected generation? If not, will transmission access be addressed by a dispatch priority mechanism or the assignment of financial transmission rights? How will such action mesh with Texas Nodal, and how will it affect wind energy development in the state? The Texas Public Utility Commission has been examining these issues in a proceeding to establish a policy on CREZ transmission access. This session will report on the progress and results of the Texas Commission's efforts.

Mark Bruce, FPL Energy LLC, Austin, TX
Kenan Ögelman, CPS Energy, Austin, TX
Walter J. Reid, Austin, TX

2:45 p.m. Break

Siting, Environmental and Leasing Issues

Presiding Officer:

Melinda Taylor,
The University of Texas, Austin, TX

3:00 p.m. .75 hr

Siting Issues: A Checklist of Environmental and Wildlife Issues Involved in Wind Projects

The session will address the federal and state statutory and regulatory issues related to environmental and wildlife considerations involved in a wind project. The first part of this presentation will discuss pre-construction considerations, e.g., birds, wetlands, clean water, endangered species, etc. and the second part of this session will address potential issues that could arise as a result of the construction and/or operation of the wind facility.

M. Benjamin Cowan, Locke Lord Bissell & Liddell LLP, Houston, TX

Gregory S. Friend, McElroy, Sullivan & Miller, L.L.P., Austin, TX

3:45 p.m. .75 hr

Siting Issues: A Dialogue between Developers and Advocacy Groups

A look at how some of the key siting issues play out in practice: what are they; how are they typically resolved; and a discussion of the framework and options for negotiation and resolution at the project and policy level.

Glenn Hodges, Babcock & Brown, Austin, TX

Dr. Andrew C. Kasner, Audubon Texas, San Antonio, TX

Patrick Woodson, Airtricity, Inc., Austin, TX

4:30 p.m. 1.00 hr

Wind Leases: Emerging Issues

This session will examine the fundamental provisions of a wind lease including the royalty clause, minimum rent and gross revenues definition. In this session both landowner and developer concerns will be discussed on the topics of hunting rights, oil and gas exploration, siting considerations, including whether a wind farm is an appropriate alternative for the particular landowner and site, and severing wind rights.

Moderator: Lisa Chavarria, Stahl, Bernal & Davies, L.L.P., Austin, TX

Karen Jones, Stoel Rives LLP, Portland, OR

Allen Price, Smith, Rose, Finley, Harp & Price, P.C., San Angelo, TX

Roderick E. Wetsel, Steakley, Wetsel & Carmichael, L.L.P., Sweetwater, TX

5:30 p.m. Adjourn to Reception

WEDNESDAY, FEBRUARY 20, 2008

Presiding Officer:

Lisa Chavarria,
Stahl, Bernal & Davies, L.L.P., Austin, TX

7:30 a.m. Conference Room Opens

Includes continental breakfast.

8:00 a.m. .83 hr

Breakfast Discussion

Small Scale Wind: Landowner Self-Development, Community Wind and Distributed Generation

The first part of this session discusses landowners working collaboratively on preliminary site development, analysis, and permitting, as a prelude to passing the project to a major developer with access to turbines, financing and construction expertise. The second part of the presentation covers the regulatory issues and equipment options for those looking to get off the grid via community wind and distributed generation.

Andy Kruse, Southwest Windpower, Flagstaff, AZ

Commentator: William H. Holmes, Stoel Rives LLP, Portland, OR

8:50 a.m. Break

9:00 a.m. .50 hr

Niche Market Deals and Developments: Avoiding the Pitfalls

The recent wave of consolidation among developers has changed the landscape dramatically, but there remains a role and market for small developers and creatively structured projects. This session provides an overview, both from a legal and business perspective, of common structures small developers may utilize to work with large developers and other potential partners, to move their projects forward while maximizing their return.

Andy Bowman, Airtricity Inc., Austin, TX

9:30 a.m. Break

9:45 a.m. 1.00 hr

The Challenge of Turbine Acquisition

This session opens as an overview of key issues and agreements including vocabulary, warranties, delivery and framing agreements with a general (non proprietary) overview. Topics include:

- How supply scarcity is being dealt with
- How to increase capacity and component supply
- Frame agreements for equipment
- Market analysis and choke points

This session concludes with a discussion of how various turbine manufacturers are addressing and reacting to these conditions.

Moderator: Edward W. Zaelke, Chadbourne & Parke LLP, Los Angeles, CA

Andris Cukurs, Suzlon Wind Energy Corporation, Chicago, IL

Dany St-Pierre, Siemens Wind Power, Orlando, FL

Charles Vaughan, Clipper Windpower, Inc., Potomac Falls, VA

10:45 a.m. .75 hr

Financing of Wind Development: Financial and Legal Considerations

This panel of wind financing professionals explores key financial and legal considerations in the financing of wind power projects—revenue streams, power sales, tax credits, REC credit sales, and sources of financing—from the perspective of wind developers, lenders, and lawyers.

Moderator: Stephen Krebs, Baker Botts L.L.P., Houston, TX

David Berry, Horizon Wind Energy, Houston, TX

Douglas S. Bland, Vinson & Elkins LLP, Houston, TX

Jayshree Desai, Horizon Wind Energy, Houston, TX

James King, Bayern LB New York, New York, NY

LUNCHEON PRESENTATION

11:30 a.m. Pick up Box Lunch

Included in conference registration fee.

11:45 a.m. 1.17 hrs

Developers' Panel

A discussion of market issues and trends for wind development in Texas: challenges, opportunities and approaches to future development from a panel of leading market participants—with varying perspectives.

Moderator: John Moore, Navigant Consulting, Austin, TX

Scott Caldwell, RES Americas Inc., Austin, TX

Steven K. DeWolf, Wind-Tex Energy, Dallas, TX

David Groberg, Invenergy LLC, Rockville, MD

David Herrick, FPL Energy, LLC, Juno Beach, FL

Vanessa Kellogg, Horizon Wind Energy, Houston, TX

Mark Wilby, Shell WindEnergy Inc., Houston, TX

WEDNESDAY AFTERNOON

Presiding Officer: Ward C. Marshall, Babcock & Brown, Austin, TX

12:55 p.m. Break

1:10 p.m. .67 hr

Nuisance Litigation: The Issues and How to Avoid Them

A few lawsuits have been filed against wind developers in Texas on the theory that wind turbines create a nuisance under Texas law. This session will report on the status of that litigation and explore ways in which a developer can minimize the risk of such lawsuits.

Steve Baron, Consulting and Legal Services, Austin, TX

Trey Cox, Lynn Tillotson & Pinker, L.L.P., Dallas, TX

1:50 p.m. 1.00 hr

Renewable Energy Credits (RECs), Federal RPS and Carbon Taxes: What's Ahead at the State and Federal Level

The session opens with a discussion of the purpose, and current role of credits and credit trading; followed by a discussion of limitations and problems in current markets. The session closes with a look to the (near) future, and how proposed Federal RPS and carbon taxes may play out in the market for wind and renewables.

Moderator: John Jones, Invenergy LLC, Chicago, IL

Shari Heino, Mathews & Freeland, Austin, TX

Karl R. Rabago, AES Wind Generation, Arlington, VA

2:50 p.m. .50 hr

Family Ownership of Wind Royalties: Operational and Estate Planning Considerations

Understanding the tax and estate planning considerations and choices for wind royalty owners and their families promotes a more efficient market for wind power. This session explores these subjects in a straightforward way.

Philip Morehead, Abilene, TX

3:20 p.m. .50 hr

Tax Abatement and Wind Development: A Practical Guide to How They Work and How to Draft Them

County tax abatements are generally a critical piece of wind deals. This session begins with a short summary of what is happening in different counties and continues with a practical guide on how to draft these agreements, including statutory framework, model agreements, drafting tips and discussion of key clauses.

Kevin O'Hanlon, O'Hanlon, McCollom & Demerath, Austin, TX

Commentator: C. Kingsbery Otto, Lago Vista, TX

3:50 p.m. Adjourn



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Texas Wind Farms

A Tour from Turbines to Market

This short documentary takes you onto working wind farms in the Sweetwater, TX region: from ground operations to the top of the turbines, to explain construction, generation, operation, and interconnection. DVDs will be on sale at the conference site for the special conference price of \$10.



REGISTRATION FOR WE08

Mail this registration form to:

The University of Texas School of Law, attn. WE08
P.O. Box 7759, Austin, TX 78713-7759 or fax a copy to: (512) 475-6876
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Invoices, confirmations and receipts are emailed to these addresses.

REGISTRATION:

Registration includes Course Binder, Tuesday and Wednesday Box Lunch Presentations

- ☐ Early Registration Fee due by Friday, February 8, 2008 \$495.00
☐ Registration Fee after Friday, February 8, 2008 \$545.00
☐ State Employee Rate (\$375 after February 8, 2008) \$325.00

EXHIBITOR:

Exhibitor fee includes booth or table for two days. Please contact UTCLE at 512-475-6700 for set-up information or with questions.

- ☐ Exhibitor fee (booth/table for two days)..... \$1500.00

CONFERENCE PUBLICATIONS AND MEDIA

Allow 2-4 weeks from the conference date for delivery.

- ☐ Course Binder \$200.00
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☐ Audio CD Set \$175.00
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Renewable Energy Systems (RES) is one of the fastest growing wind development companies in the world and has been at the forefront of the wind industry since it was founded in 1981. RES has been active in North America since 1997 and during this time has either developed or constructed over 10% of the installed capacity in the United States. RES has offices in Austin, Texas; Portland, Oregon; Minneapolis, Minnesota; and Montreal, Quebec. www.res-americas.com

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Airtricity Inc



Airtricity is a world leading renewable energy company, developing and operating wind farms in the United States, Canada and Europe. The company constructed its first projects in Texas during 2006 and will have more than 500 megawatts of wind projects on-line in Texas by 2007. www.airtricity.com

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AUSTIN

February 19-20, 2008
CONFERENCE LOCATION



Austin Convention Center

500 E. Cesar Chavez Street

Austin, TX 78701

512-404-4000

Ballrooms E & F, Level 4 North Facility

Parking Garage: 2nd Street and Brazos

5th Street Parking Garage: 5th Street
and Red River

\$7 day (subject to change)

KEY DATES

Registration & Cancellation

February 8, 2008—5 p.m.

last day for early registration
add \$50 for registrations
received after this time

February 11, 2008—5 p.m.

last day for full refund

February 13, 2008 —5 p.m.

last day for partial refunds
\$50 processing fee applied

February 19, 2008—8:10 a.m.

optional breakfast and a movie

February 19, 2008—9 a.m.

conference begins

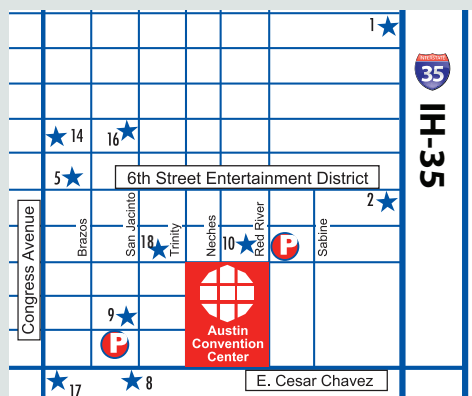
AUSTIN CONVENTION CENTER

LEVEL 4 Grand Ballroom and Meeting Rooms



*Ballrooms E, F and G are on the fourth floor of the Convention Center at the Northwest corner of the building, at Trinity and Fourth Street.

ACCOMMODATIONS:



Host Hotel:

Hilton Austin (#10 on map)
500 East 4th Street, Austin, TX
(512) 482-8000

Special room rate \$189
good through January 18, 2008
(subject to availability)

Other nearby hotels include:

Hampton Inn (#9 on map)
200 San Jacinto Boulevard, Austin, TX 78701
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Residence Inn by Marriott (#18 on map)
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2008

WIND ENERGY INSTITUTE

February 19-20, 2008 • Austin Convention Center • Austin, Texas

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